MEMORANDUM FOR: EAA Board of Directors

STATINTL FROM : [REDACTED]

President, EAA

SUBJECT : Proration of Income Between Store
and Other EAA Activities

1. At the Board meeting held on 28 January 1977, a question was raised concerning the disagreement between the stated amounts of "other income" (dues and interest) and their percentages proration between the EAA Store and all other EAA activities. (Ref. Exhibits B and C of 1976 Annual Financial Statements.) The stated percentages of proration on Exhibits B and C are correct with respect to the 1976 figures. They are not correct for the 1975 figures because the prorations for other income were changed between 1975 and 1976 as follows:

Proration of Membership Dues	1976	1975
EAA Store	40%	33 1/3%
Other than Store	60%	66 2/3%
TOTAL	100%	100%

Proration of Interest Income	1976	1975
EAA Store	60%	33 1/3%
Other than Store	40%	66 2/3%
TOTAL	100%	100%

2. The proration of membership dues was changed slightly to reflect an increase in membership interest in the EAA Store. A significant change was made in the proration of interest income because of the major role which is now played by the EAA Store in generating income. These facts should have been addressed as a footnote to Exhibits B and C. Record copies of the financial statement are being so noted.

STATIN

Att: Exhibits B and C of
Financial Statement

DAILY ITEM - 3 November 1977

Benefits and Services Division

Two GSA investigators visited the EAA Store this morning with a security escort. They took a statement from ███████ with regard to his observation of the laying of the rug squares at the time of the move to the present location. Particular interest was given to whether or not the existing asphalt tile floor was removed before the carpet was installed. ███████

reported that the workmen merely damp mopped the floor and laid the rug over it. We understand that the investigators

also visited ███████ in Logistics Services Division. ███████ was told that he might have to testify in court.